

[10th September 1960]

IV.—GOVERNMENT MOTIONS.

(1) MOTION UNDER RULE 23 (1) OF THE MADRAS COUNCIL RULES *re* TRANSACTION OF GOVERNMENT BUSINESS ON A NON-OFFICIAL DAY.

THE HON. SRI R. VENKATARAMAN : Sir, I move—

“ That rule 23 (1) of the Madras Council Rules be suspended and this House do resolve to transact Government Business on Saturday, the 10th September 1960 ”.

MR. CHAIRMAN : The question is—

“ That rule 23 (1) of the Madras Council Rules be suspended and this House do resolve to transact Government Business on Saturday, the 10th September 1960 ”.

The motion was put and carried.

(2) DRAFT OUTLINE OF THE THIRD FIVE-YEAR PLAN —cont.

DR. A. LAKSHMANASWAMI MUDALIAR : Mr. Chairman, Sir, while appreciating the attitude of the Government in placing the draft outline of the Third Five-Year Plan of the State before this House for consideration, I have to state two factors. Any State plan is obviously so intimately integrated with the Central plan that it seems to me that we cannot discuss these two separately. Secondly, so far as the Central plan is concerned, not merely has it been placed before the public, but various bodies connected with the Planning Commission have already discussed it and sent their final recommendations, so that it seems to me that at this late stage not much effect will be had so far as the Government of India is concerned with regard to the suggestions that we may have to offer. I am not pessimistic, but I certainly cannot see how at this late stage any radical change can be made in the plan as practically accepted by the Government of India through the Planning Commission's recommendations.

Now, Sir, so far as the Third Plan is concerned, it has been stated that there are five main objectives. The first is to secure during the Third Plan a rise in national income of over five per cent per annum, the pattern of investment being designed also to sustain the rate of growth during subsequent Plan periods. The second objective is self-sufficiency in foodgrains and increased agricultural production. The third is to expand the basic industries like steel, fuel, and power, and to establish machine-building capacity so that the requirements of further industrialisation can be met within the period of ten years or so. The fourth is the utilisation to the fullest extent possible the man power resources of the country and to ensure substantial expansion in employment opportunities. The fifth and the last is to bring about a reduction of inequalities in income and wealth and a more even distribution of economic power. So far as I can see the last is the one thing that is likely to be accomplished—I would not say much more readily

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in comparison with the other great aims. We are tending to this position where equalities of income must necessarily be the prime factor. That apart I wish to raise this question. So far as the Plan outlay is concerned, we have to remember that out of a total outlay of Rs. 10 thousand crores in the first two plan periods, the investment in the public sector was Rs. 6,560 crores and in the private sector Rs. 4,900 crores. Now, this has been possible largely from two sources of income, rather from three sources. The first of these, I would say, is the aid that has been available from different countries. That aid has been in the form of outright grants as well as in the form of loans. At no time in the history of this country have so many countries voluntarily offered loans for aid. They have offered aid to other backward countries also. We welcome this aid and we thank them for it. But we have to remember that the external assistance to India from the beginning of the First Five-Year Plan to date amounts to Rs. 1,658 crores and of this Rs. 1,316 crores were in the form of loans and Rs. 342 crores in the form of grants. Of the loans, Rs. 444 crores is repayable in rupees and Rs. 871 crores in foreign currencies. It is obvious that the repayment of the loans with the interest will be a heavy burden indeed on the people of the whole country for the next two or three decades, not taking into consideration the loans that may be required to cover the expenditure on the Third Plan. Besides these loans, there have been internal loans taken by the Central Government and the States to an extent which would not have been thought possible in previous years. I am ready to concede that it is probably due to a certain amount of expansion of industries and other methods of increasing the national income. But all these must be borne in mind at the commencement of the Third Plan. We must remember that we are not starting on a clean slate and that these loans have to be repaid to foreign countries. We have to do what we can with our own loans. I know there are many ways in which internal loans can be adjusted and I do not think anybody will suggest that so far as foreign loans are concerned, it is not a question of honourable discharge of the loans. That also makes me feel that in the present state of world affairs, we have to take a cautious look at the possibilities of the future. I do hope and trust that nothing untoward would happen in the world, although when we wake up every morning we see in newspapers things disheartening in the extreme. Let us hope and pray that nothing untoward will occur. Should still anything untoward occur, even the best laid plans will go a-gley, as the Poet says. Taking it for granted that we have resources for the Third Plan, what is the method of distribution of outlay between the Centre and the States? It has been stated that the distribution of outlay is based on the assumption that as a general principle, all development schemes executed by State Governments will form part of the plans of the State and that only certain limited categories of schemes will be shown in the plans of Ministries as being sponsored by the Centre. It is, however, to be noted that so far as Industries and Minerals are concerned, Rs. 1,470 crores will be the share of the Centre and only Rs. 30 crores of the States, while in Transport and Communications, Rs. 1,225 crores will be the Centre's contri-

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bution and Rs. 225 crores that of the States. To what extent and in what manner the schemes sponsored by the Centre of the order of Rs. 2,700 crores for Industries and Minerals and for Transport and Communications will be co-ordinated with the schemes of the States is a matter on which further information is not available, either in the Draft Plan of the Centre or the State Third Five-Year Plan. Let me take one single factor for consideration. A great deal has been said about our steel requirements. We are naturally anxious that there should be a steel plant established here as early as possible. In fact, an amendment to that effect has been moved by my Friend, Mr. Raza Khan. Top priority is sought to be given to the lignite project and the steel plant. I shall not deal with the lignite project at present. But what is the position of the steel project so far as the Central Government are concerned? It is reported that the developments in iron and steel are linked with the target capacity of 10.2 million tons in terms of steel ingots and 1.5 million tons of pig iron for sale. Besides the Bhilai, Rourkela and Durgapur steel plants which are to be expanded, the Third Five-Year Plan also provides for a fourth steel plant to be started at a place called Bokara. Sir, having perused the Draft Plan very carefully for a number of days, I regret to say that there is no mention of any possibility of a steel project in the South, much less in Salem. Yet, it may be that thanks to the efforts of the Minister for Industries, some leeway may be made at least before the end of the Third Five-Year Plan period. The Government of Madras have investigated the possibilities of raw materials being available for the steel project and if I remember aright, they have suggested that about 35 million tons would be available in Salem district alone. But the main consideration is the supply of coal for industrial purposes and for power. No industry can possibly be started on a large scale unless coal is available. I know one of our chief hopes is that lignite may be a substitute for coal and I shall refer to that a little later. What is the position of coal so far as the Third Plan is concerned? The production of coal is proposed to be stepped up by 68 million tons, that is, to 97 million tons. It is known of course that the coal belt is largely in the North, besides the Singhereni coal mines. So far we have not been able to hit upon any coal mines in any part of the country below the Vindhya mountains. The chief difficulty in obtaining coal, besides the demand for it everywhere, is the cost of transshipment and other factors which make it almost prohibitive for any large-scale industry to be started in the South. It is well-known that in another commodity, which is equally important at least for building purposes, namely, cement, the Government of India have made it incumbent, irrespective of the place where cement is produced, that a uniform rate should be available throughout India and have stepped up the price in areas where it could have been available at a cheaper rate, so that imported cement and indigenous cement may not compete with each other. While that is possible for a commodity like cement, I would like to ask why it is not possible to follow the same policy in regard to our coal requirements also. I do not

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suggest that that equalisation should be put on the private sector. A large number of coal mines are Government-owned and if the Government wish to develop industries in any part of the country, their chief duty is to see that coal is made available from the Government coal mines at uniform prices in the different parts of the country. Apart from the difficulties experienced in the transshipment of coal owing to the policy of the Railway Administration so far as the South is concerned, I must say one thing. We do not want coal for cold weather; but we do want it for the few minor industries that we do attempt to start. A uniform price policy should be followed in the case of coal as in the case of cement which incidentally is produced in fairly large quantities in the South. Coal is equally important as cement is.

Now, let me come to the resources for the Third Plan. Sir, it is now well-known that a total expenditure of 10,200 crores of rupees is envisaged. Out of this Rs. 6,200 crores is to be spent by the Central and State Governments and Rs. 4,000 crores in the private sector. To this is added Rs. 1,050 crores in the public sector which represents current outlays, that is, the total of recurring expenditure for increasing the level of social services and certain administrative overheads by the Central and State Governments. Thus, a total of Rs. 7,250 crores is expected to be the financial outlay of the Third Plan in the public sector. And to meet this heavy expenditure, additional taxation including measures to increase the surplus revenues of public enterprises is envisaged to the tune of Rs. 1,650 crores. I hope hon. Members will digest this part of the Plan report because it is likely that this will be implemented much sooner than any other thing in the Plan. It has been stated that the fulfilment of the additional taxation target of Rs. 1,650 crores over the five-year period is vital for the successful implementation of the Plan. I have no doubt that it is usual and I think it is also admitted that this additional taxation target of Rs. 1,650 crores will involve considerable effort on the part of the Central and State Governments to broaden their tax structure and the minimum target for additional taxation in the States will have to be one-third of the total of this amount. I would ask hon. Members to note the expression 'to broaden their tax structure'. In other words it will have to be something like Rs. 530 crores. Now, Sir, the expression 'broaden the tax structure' at once makes us realise that it is going to be spread out over the whole field of taxation, not only over this or that particular industry. It is to be realised that the burden of taxation cannot fall in an equal measure upon all States or upon all citizens in the country. For one reason or other, the productive capacity of some States will be much higher and therefore the income of the citizens of those States will be certainly much more favourable for additional taxation than any other States. To draw a general inference that, after these two Plan periods, there will be an increase during the Third Plan period at the rate of 5 per cent per annum in the National Income is, to take an analogy, to cross a deep river by taking the average of the depths in several places. Even a child

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knows what would happen thereby. In other words, the income of every citizen must be approximately within a range which will give an average of 25 per cent. But what are the schemes which will enable an ordinary citizen to bear the burden of taxation? What are the schemes which will enable an increase in the per capita income of not 25 per cent but at least 10 to 15 per cent? I leave aside those who are fortunately employed in the public sector because by various means, by threats and otherwise, by strikes, by demonstration, by personally appealing to the Ministers, they can get an increase. But what about the large number of people who have no influence whatsoever and who are living in sectors where it is impossible for any increase to occur? We have seen in our own time many unfortunate occurrences taking place, the most notable of them being the strike by Madras Tramway employees some years ago. Surely, it has to be admitted that the burden is going to be far heavier in a State like Madras than anywhere else. But—this is to be admitted—the resources of the State are not likely to expand in the same degree nor is the large outlay contemplated to be equally distributed even regionwise. What steps the Government of the State have taken to look into this matter is not unfolded in the pages of the Third Plan book. It is, I think, very important that the State Government must give some thought and tell us exactly what the position would be, what the burden of the State would be, what the increase in taxation would be and how they are going to meet it. I know that one fine morning in the Budget, additional taxation will be proposed and knowing as I do, the manner in which the Budgets are passed over several years—at least during the last 12 years or so—I have no doubt that such proposals will be accepted and carried by the majority. But the person who knows where the shoe pinches may well have very little voice or say in the matter.

It would be interesting, in this connection, if the Government were to unfold the total amount of Central outlay on schemes for the development of the different States and more particularly of the State of Madras in the First and Second Five-Year Plans and in the contemplated Third Plan. I do not know if such figures are available in any of the publications that have been placed before the hon. Members of the Legislature. But so far as my recollection goes I must confess ignorance in this matter. Let me not be misunderstood. It is not for a moment suggested that there are no schemes which will benefit the whole country if they are undertaken wherever they may be but—and this is a point I would submit with great regret—the present trends in regard to the static nature of the response from different States make it abundantly clear that projects, though undertaken by the Centre in particular States, will not have their full benefits contributed to other States. Thus, in the field of irrigation, the Bhakra Nangal, the Hirakud, the Damodar Valley Project and other major river valley projects, undertaken in different parts of the country at considerable expenditure are no doubt outstanding achievements of the Plan periods. And while being more proud as Indians that such projects have been possible, it has to be

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admitted that in the present state of affairs, the benefits accruing therefrom are not available to other parts of India to the extent to which one would expect. There is a considerable amount of talk with regard to irrigation and power which may be made available from neighbouring States. I have mentioned on a former occasion that this is an exceedingly delicate subject, and the more vehemently some Members speak about it, the less likely are their efforts to bear fruit. Circumstanced as we are, with a past history which, unfortunately, cannot be easily erased from the memories of most people, the approach to this question has to be both delicate and persuasive. And in any such project, a great deal more may have to be contributed by the State which seeks to benefit therefrom to the mutual benefit of the two States concerned. May I suggest that in such circumstances a more diplomatic method of approach is required? I was sorry to see the other day in the newspapers that there was a protest against the Nagari river waters being diverted. I realise that the diversion of the waters would mean the shortage of supply to the city water-supply scheme. But I do feel even under such circumstances the subject should have been more tactfully dealt with than a protest made to the Andhra Government, while we are asking that the waters of the Godavari and Krishna should be diverted to us.

THE HON. SRI M. BHAKTAVATSALAM: Sir, about this matter there appears to be some misunderstanding. It is not merely a question of the city water supply being affected. The ryots in these villages have a fear that their own interests will be affected. Therefore that aspect has got to be examined before any commitment is made and before the work is taken up. The Andhra Government propose to take up the work. We told the Andhra Government that there was objection, and when I met the Andhra Ministers they said that it was a matter which had to be examined. That is all the position. There is nothing like a serious protest and all that.

DR. A. LAKSHMANASWAMI MUDALIAR: I am referring to a newspaper report. It does more damage than any statement in this House. I have got the newspaper cutting with me and I do not want to trouble Members by reading it. But the word 'Protest' is supposed to have been used by the Hon. Minister and the statement was that the Government had protested to the Andhra Government. I take strong objection to the use of this terminology. We all realise the necessity for protecting the interest of the peasants and the State. As I said, a more diplomatic method is wanted and unless we constantly keep this in mind—at least the Treasury Benches should do it, and I do not ask this of the leaders of Opposition because they may want to express the views much more vehemently to put them on a higher pedestal—it will not do us any good. In these matters as we are anxious to get waters from them it is a much more diplomatic method that we should adopt. Even my hon. Friend Sri Raza Khan was saying that the settlement of the Canal waters dispute with Pakistan took a long

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time because of this, and fortunately we are now in a much better position. Sir, I know my Andhra friends very well as I hope and trust I know my Tamil friends. I can tell you this without any feeling of reserve that they are all generous-hearted people, and if a proper approach is made, I have no doubt whatever that they will not adopt a policy which denies to themselves and a neighbouring State, which was a part of their State, the privileges and facilities, which ought to be made available.

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Sir, I now come to a question that has roused a great deal of interest in this House, and I should say that the amendment also mentions the development of Tuticorin as a major port as a part of the Sethusamudram project. A very small note is given about the ports in the Third Five-Year Plan. Tuticorin port does not come anywhere into the picture. How we are going to introduce Tuticorin port and fight for it, passes my comprehension. There are other ports that are being developed. Fortunately, when Karachi was not available to us, the Government of India took a vigorous line of action and immediately took steps to have a port in the present day Gujerat, namely, the Kandla port. Not only has this been established, but it has been made a free port. Hon. Members may not exactly realise the significance of a free port. No sort of customs and no duties are to be paid. All articles imported at that port will be duty free. They can go to the persons concerned as duty free articles. I will not dwell on this subject more.

Sir, the only geographical and natural advantage that this country has got is a very long coastal line both in the East and in the West, not to speak of the southern curve. Take, for instance, England. There are many ports like Dover, Hull, Portsmouth, Plymouth, Bristol. . . . (Interruption). My hon. Friend will supply the names of the other ports. Now it seems to me that the importance of ports as the best means of promoting foreign exports and imports does seem to lack recognition. In a Plan of Rs. 10,200 crores, ports are allotted the magnificent sum of about Rs. 60 or Rs. 80 crores, if I remember aright. It seems to me that those who planned were planners probably living in the central parts of India and did not realise the value of ports for the national economy of the country.

Sir, I now come to transport and communications. It is stated that the decade 1951-61 has been a period of considerable expansion in transport. It is stated that about 1,200 miles of new railway lines are likely to be added, 1,300 miles of railway track doubled, and 880 miles electrified by 1960-61. May I know, Sir, what share of these new lines, double tracks and electrified lines was allotted to this State of Madras? I shall await the answer of the Hon. the Leader of the House in due course. But, Sir, by relegating a metre gauge to the South, more particularly to the State of Madras, for decades trade has not developed, and now even the electrification of a small section of 85 miles from Tambaram to Villupuram is to be cut down to 75 miles, if the latest news in the papers is to be taken

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note of. They will take up the electrification of the section between Chingleput and Tambaram, but there is no mention of the electrification of the line between Tambaram and Chingleput. The distance of twenty miles between Tambaram and Chingleput is not included in the electrification programme. If I were the spokesman of the Government of India, I can give the explanation also.

Sir, what is the position of this part of the country? The only industrial venture, the life-line of the State, is the Neyveli project, which is to cost the Centre no less than Rs. 70 to Rs. 75 crores, which will be a complete failure unless the railway line is laid at least up to Salem where we are living in the eternal hope that a small steel plant will be started.

Sir, reference has already been made to the extremely meagre consideration given to the expansion of transport facilities in this State by the Railway Department. One would almost say that so far as the Railway Board is concerned, the needs in other parts of India being overwhelming according to its concept, it has neither the time nor the inclination to think of other problems in other States.

There are only two so-called large scale Central enterprises in the State. One is the Integral Coach Factory. The other is the Neyveli project. So far as the Integral Coach Factory is concerned, while we are thankful to the Central Government for having located it in Madras and given relief by way of employment to a few hundreds of people or perhaps a couple of a thousand or more, the distribution of the beneficent activities of this enterprise is all over India. The only project which may be said to have a reasonable chance of lending itself to development in the industrial sector is the Neyveli project. Naturally therefore we are clinging to it. We hope that the Neyveli project will give us briquettes out of the lignite, we hope to get fertilisers, we hope to electrify a large number of places, and we hope that a steel plant will be started. I do not know what other hopes we have. Probably some of the chemical projects may be thought of. All this is a remote hope.

Now, Sir, I must confess, no doubt due to very many difficulties, the progress of this project has been extremely slow. One can understand it in the beginning. It is only recently that the interest evinced by the Industries Minister has had some effect in bringing about foreign experts' advice to assist in the problems connected therewith.

I am extremely glad that for the first time in the history of the Neyveli project a Central Minister is reported to contemplate a visit to the Neyveli project. Whether that visit will materialise or not cannot be foretold till actually he comes and visits. It is not a project which lends itself, at this stage or at any stage, to the gaze of a visiting and admiring public from other countries. But that is the only project which may give some little salvation to the State

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of Madras. I am firmly of the opinion, and I would request the Government to take note of this, that the progress of this project should be expedited considerably, that the State Government should take a more active interest in the project, and that they should press upon the Central Government to have a joint voice in the progress of this one project which, after all, is supposed to cost only Rs. 70 crores as against Rs. 200, Rs. 300 or Rs. 400 crores that have been spent on the various irrigation projects in other parts of the country. I am not at all jealous of these. I am very proud of them. I myself had been to Hirakud as also to Bhakra-Nangal and admired them along with many foreign friends. They are very good. But, after all, charity begins at home.

Sir, let me come to agriculture. If there is one subject which has plagued the Minister of Agriculture and the members of the Assembly and the Council alike, I should say that it is 'agriculture'. We have been speaking about agriculture, and I see that in the Second Five-Year Plan period, the production, which was 52.2 million tons in 1950-51 has come to 75.0 million tons in 1960-61. Yet food scarcity and fair price shops are the order of the day. It cannot be accounted for by the growth of population, as the growth of population has not been in that proportion. Also in the case of sugarcane, from 5.6 million tons in 1950-51, the production has come to 7.2 million tons in 1960-61.

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We have always been told that these irrigation projects will give us much relief in agriculture. That is a pleasant dream that some of us wish to hug to our bosom, although it is extraordinary that in the Third Five-Year Plan, it is suggested that an outlay of Rs. 650 crores for large and medium irrigation projects and an investment of Rs. 240 crores for the production of fertilisers have been envisaged. Also a third of the expenditure under Community Development programme, which is of the order of Rs. 400 crores, bears directly on agricultural production, so that in the Third Plan, we envisage an expenditure of Rs. 1,050 crores on agriculture.

I have been listening every year to the same tale that there will be enough this year, next year, year after next. Hungry mouths are still waiting with no little hope of something being eventually done. It is interesting in this connection to note that while over Rs. 1,000 crores is to be spent on large and medium irrigation projects and various other improvements including production of fertilisers, so far as the State Plan is concerned, the amount that is provided for agricultural production including Minor Irrigation and Land Development is Rs. 27.3 crores and for irrigation Rs. 40 crores. I do not want to go into many other details but one thing seems certain; if these plans are to be properly evolved, there should have been far more consultation at the State level and between the States and the Centre and even between two or more contiguous States and far more consultation with the important sections in the private sector. Unfortunately, the private sector is not looked upon with any degree of grace. And yet, I feel

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that it is a mistake—a colossal mistake—to think that the State can, by its own efforts, look after all the industries, find employment for almost everybody, and take the onus on itself to be the mentor of the public. Such an attitude, whatever epithet it may be given, is calculated to defeat the very purpose of creating initiative, of enthusing the public to the task and making them more and more interested.

In spite of these Plans, one must confess that there is a feeling of sullenness and not that buoyant hope and expectancy in the bulk of the people. So far as the State Plans are concerned, it is possible that they may be adjusted because after all the expenditure on the State Plans will be mostly borne by the State. But so far as the Central Plans which have a bearing on the State are concerned, I am afraid we can do very little except to discuss. If possible, we can spend some more time than necessary on such discussion. I hope and trust that the day is not far off when it will be realised, as I think it is being realised by certain States and notably by our Government, that whatever sectors may be the concern of the State, it may not always discharge those functions effectively and with utmost economy and speed and that, therefore, the encouragement of the private sector is not only necessary but inevitable. If those in authority do not realise this before the Third Plan period, they will come to realise it when the Third Plan is nearing completion.

* THE HON. SRI R. VENKATARAMAN : Mr. Chairman, it is always a pleasure to hear the hon. the Leader of the Opposition. He brings to bear on the debate a high level of knowledge and information which helps the Government to focus attention on some of the points which are urgent, important and call for a great deal of scrutiny. Sir, in a discussion like this on a Plan, the dividing line between the Government and the Opposition becomes very thin and it almost vanishes. All are interested in the progress of the State. Each one of the hon. Members of this House as well as the other House is very keen in seeing that the State advances as quickly as possible, as fast as we can make it advance with the resources that we have. In fact, all of us have the same objective before us. In the approach to the problem, we may have slightly different notions as to which should get priority. We may have different ideas as to the quickest way of achieving the target. Nevertheless, there is no difference whatsoever with regard to the objectives to be achieved by the State and the country as a whole. Now, having said this, I wish briefly to refer to some of the inherent difficulties which have been dealt with by the hon. the Leader of the Opposition.

Firstly, we have exhausted all the foreign exchange resources we had during the first two Plan years. We have taxed our people to some extent and naturally there is resistance to further taxation. We have also tried to build our industries as fast as we can but we have not been able to build all of them within the two Plan periods. We have not been able to feed all the people in this country and it

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requires no great eloquence to point out that a large section of the people of his country still go without adequate food. But are these really difficulties of the Plan? What are the basic causes for this state of affairs? Years and years of backwardness both in agriculture and in industry, years and years of lack of initiative, enterprise and opportunities for development in both agriculture and industry have accumulated for us a heavy load, a backlog in the matter of economic development, that it requires superhuman efforts to clear the arrears and the backlog. The Plan is intended to accelerate the process by which the arrears can be cleared, before we can go forward like any other fairly advanced country of the world in the direction of improving year after year the standard of life of the people. Until the arrears are cleared, it would be somewhat unrealistic to imagine that any Plan that we are making would be able to bring about a great improvement in the standard of living of the people or that we will be able to catch up with the rest of the world. My humble submission to this House is that ten years of planning has given to this country a start in the direction of clearing the arrears in the great race that humanity is now running towards achieving a higher degree of happiness. We have started late and therefore we have to exert more. If anybody should say that we cannot exert our utmost and that the exertion is too great for us, then necessarily he has to reconcile himself to a comparatively indigent state, to a greater level of poverty in the country and to a poorer standard of living. I am quite sure there is no one who is prepared to reconcile himself to this state of affairs. Therefore, this planning becomes imperative. Without planning it will not be possible to accelerate the pace of development and, therefore, I submit that in this long process of trying to recover lost ground, we who are on the threshold of the Third Plan do not know how long and how many more Plans we would require before we are able to say that the economy has developed itself to a level at which it will not only produce what the people want for consumption but enough for investment so that we may achieve a self-generating economy in our country. As I said at the opening of this debate, planning becomes necessary in any underdeveloped and less developed countries in order that those countries may be able to get a start in the matter of industrial and social progress. In the last 10 years there is no denying that we have produced more food, there is no denying the fact that we have produced more cloth, there is no denying the fact that we have produced more sugar. In fact, we have produced in every conceivable commodity greater quantities than we did in the year 1950. That the increased production is not enough to meet the demand is no fault of the increased production itself. In fact, if the demand grows faster than what is produced it will only show that the rate of development that is taking place in the country and the people is greater than what it was before. I do not want to deal with this aspect of the matter elaborately because I have dealt with it on another occasion. But I would like to ask this question : Where has all this increased production gone? Here we have figures about increased production in Madras. The food production has increased in the last five years from 44.21 lakhs

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of tons to about 50 lakhs of tons. In respect of groundnut it has increased from 8.27 to 9.14 lakhs of tons. In respect of cotton it has increased from 3.11 lakhs bales to 4.01 lakhs of bales. There has been considerable increase in sugarcane, etc. Now I want to ask : Has all this increased production not really gone to the people for their own consumption? Has this not given them extra food, extra clothing, and extra amenities by way of sugar, tea, coffee, etc., during all these ten years? If in the ten years we have been able to provide purchasing power for a larger section of the people to be able to demand more it only shows that the pace at which the country is developing is fast. And it therefore creates an incessant demand for the basic commodities and goods produced. If all these things are produced and if there is no purchasing power with the people a most disastrous consequence would have resulted. In fact there would have been a slump. There would be no production. There would be no employment. The consequences of slump and the series of consequences which follow a world depression would have overtaken this country also. To-day we are launching on schemes in which capital investment is high. The Neiveli project is a capital investment. Number of these dams and irrigation projects are initially capital investments. Now these capital investment projects give purchasing power to those employed in the various sectors. And they are not able to find enough consumer goods during the period. The investment is on capital goods. Therefore it is we find that even though people are having purchasing power to buy things they find it costly to buy those things. But once these capital investments begin to yield results, they begin to yield fruits, naturally enough consumption goods would be produced and that would take care of the increasing purchasing power put into the hands of the people. I would ask for patience therefore for a little longer so that all the investments that we are now making—investments in capital goods, huge projects and large industries—may bear fruit. On completion they will provide enough consumption of goods. Until that takes place a little inconvenience has to be borne.

Sir, I would say that the economy of our State is basically sound and that the steps we are taking are really towards progress, that none of these investments, none of these plans will lead to any adverse economic consequences or will create any chaos or danger or disaster to the country or the State. On the contrary if we do not do it, probably we will cause confusion, we will cause bitterness, we will cause hatred and we will even cause commotion within the country.

The hon. Member Sri Balasubramanya Ayyar asked very naively one question : Why should we not keep quiet for one year at least and see what has been achieved during the First and the Second Plan periods, why not give rest for a year and then assess what has been done? I want to ask you to consider what that would mean. We will have to go and tell the people that the hospitals that are half-built will remain unbuilt. We have to go and tell our people that the schools promised will not be opened, that the roads for

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which they have been crying for so long will not come and they will have to wait. In fact none of the things which we have planned either for education, for health services and so on in this Plan will be available to the people. We will only be carrying on the ordinary day-to-day administration and perhaps carrying on what has been achieved up to the end of the Second Five-Year Plan. You may say that the Government can spend without this Plan. Between spending with a plan and spending without a plan, any man would say that it is far better to spend with a plan than without it. Therefore it is that it is not possible and particularly for a Government which has to depend on the people's support in a democratic set up to go and tell them that they will have to wait for one year. They will certainly choose a person who will give them this year all the things they want than a person who merely promises them things after some years. It is very necessary that the aspirations of the people should be met and they have to be met as quickly as possible. And the aspirations of the people today are such that a larger Plan, a bigger Plan, a greater investment, larger amenities, greater facilities, are called for. If we are not able to satisfy that, it is not because we do not have the will but because we lack the resources. Taking into account the large demand which the people make today upon the Government, the insistence that arises from the people for various services and amenities and also taking into account the limit of financial resources that we possess, a workable Plan has been presented to the country. The ten thousand crores plan which has been circulated and which is now under discussion represents perhaps the golden mean between the aspirations and the desires of the people on the one side and the enormous amount of resources that would be required to meet them on the other. It strikes a middle path in the hope that we will still be able to meet some at least of the wishes of the people without straining the very people themselves far too much.

Sir, in this connection I want to disabuse the minds of people who think that the plan has been completed. The hon. the Leader of the Opposition doubted whether any change could be made at all as the Plan had been discussed already and had been finalised by many departments. I wish to bring to the notice of this House that nothing is final unless the National Development Council accepts it. The National Development Council is yet to consider this plan. All the States' Ministers and the Chief Ministers would go to the National Development Council to put before the Council their respective claims for correcting the regional imbalances which we find in the Plan, for urging for inclusion of certain items which we think should be given the highest priority than what has been done on an All-India basis and to seek redresses. So until that is done we may take it that the Plan will be suitably modified in the best interests of all the States in the country, and perhaps if not to the entire satisfaction of all the States, at least to an acceptable measure by all the States. In this connection, criticism has always been made that our loan policy is leading us into somewhat of a danger, that we are always thinking of raising loans and still

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more loans, and so on. I wish to submit to the House that the loans that both the Centre and the States are raising are not loans for any luxury expenditure or fruitless expenditure, but for investments which are going to bear results by the very use of those loans. We are in the same position as any industrial magnate who borrows for the purpose of the industry and finds then he is able to repay them all out of the products of the industry itself. I do not have figures for the whole of the country, but I may assure the Leader of the Opposition that so far as this State of Madras is concerned, our loans and our assets position is extremely satisfactory. The total public debt of Madras State is of the order of Rs. 194 crores and the total assets on account of the investment of this money is of the order of Rs. 253 crores. The loans and advances due to the Government, loans to the Electricity Board, capital expenditure, cash balances, and investments, all taken together constitute Rs. 253 crores as against the debt of Rs. 194 crores. Sir, if my personal view were to be taken, I think it is a conservative position. We should launch on a more progressive plan of going into the market and raise more loans not for useless expenditure but for fruitful expenditure, which would bring results, which would yield very large returns, and which would make for the welfare of the people of the State.

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Then, Sir, naturally when we began to deal with some of our local industries and other requirements, we laid great emphasis on the establishment of a steel project in Madras State, not so much because we thought that there were some big iron and steel projects in Northern India and elsewhere, therefore we must have one here, but because we wanted to utilise the resources that were available in this State. It is not out of a sense of competition with any part of the country that we put forward somewhat insistently the development of iron and steel industry in this State. It is only because we do not want to allow our resources to be wasted and unutilised when there is a crying need for the product. In this connection I may say that if we look at all the economically less developed countries we will see that they are so not so much because they have no resources but because they have not utilised them. Infinite knowledge can always utilise things that used to pass for dust. The world is progressing in a direction where it can utilise many things which in the past were considered to be worthless and useless. Here we have the ore which was considered by experts until very recently to be inferior in quality and not worth utilising in a steel project of the kind that is envisaged. Thanks to the technological and scientific progress that has been made in other countries, we have reached a stage when it is possible to utilise even the inferior iron ore that we possess. Having found out that we can utilise it, is it not necessary that we should go all out to get the project established in the State? And that is what the State Government have done. They have taken the initiative in this matter. They have obtained the expert opinion of people from Europe and other countries. They have found that the scheme is feasible and, therefore, they are insisting on the inclusion of this item in the plan. In

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this connection Dr. A. Lakshmanaswami Mudaliar stated that he found no mention of this in the Third Plan. Though it is not stated as a specific project, I am glad that the Third Plan has included it in a way. At page 211 of the Draft Third Five-Year Plan, you will find in paragraph 18 mention has been made of this. Paragraph 18 says—

'A pig iron plant based on low shaft blast furnace techniques and use of coke from Neiveli lignite is also included in the Outline as a project on which preparatory work should continue with a view to reaching decisions in due course'.

At the time when this was written, the final decision of the technical committee, which was appointed by the Government of India, to go into the feasibility of the scheme, was not available. But today the technical committee has reported that the scheme is not only feasible but also economic and therefore further steps should be taken in that direction.

Then, Sir, the second great difficulty is transport. Even though we are told that plenty of pig iron is now available, and occasionally reports appear in the newspapers of contracts being entered into for the export of pig iron, some of our foundries in Madras State are languishing for lack of pig iron. This is because of the transport bottle-neck, particularly in the north-east railway section at Vijayawada and Visakhapatnam. Owing to the difficulty in transport of pig iron as well as iron and steel, the industries in Madras State have been going through a period of very stringent scarcity in the last one year. It is the intention of the Government of Madras to take up this matter in the National Development Council and to urge that, whatever priority is given in the matter of transport, emphasis should be laid on strengthening the line capacity between Madras and Calcutta. It may appear somewhat strange to Members of this House that instead of asking for a railway line within Madras State, the Minister should say that he would lay great emphasis on strengthening the line capacity in the south-east line. But I want to submit to the House that really that will solve a great many problems of this State, particularly of the industries. All that is produced in the Bihar sector of India is now not available to this part of the country even though there may be plenty in that area, because of the transport difficulties. We are going to urge among other things that high priority on a national level should be given to the strengthening of this line so that the transport of goods between the Bihar sector and the South may be improved for the benefit of both sides.

Sir, following the same line is our insistence on the development of the Tuticorin Port. Today, if we rely only on railway lines for the transport of goods like iron and steel, fertilisers, and particularly coal, we will always be in the unenviable position of having to look forward in expectation of what our Railway Board may in their mercy be pleased to give by way of allocation of wagons from month to month. Therefore it is that we have been suggesting that the development of the Tuticorin Port as an alternative to

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Madras will go a long way to relieve the transport bottle-neck, which has developed during the last plan period. Tuticorin has natural facilities for being developed into a first-class harbour and the Committee on Intermediate Ports which went into this question has endorsed the view that the port should be developed into a first-class port and that it would cost only ten crores. I do not think that ten crores of rupees in a vast Plan costing 10,200 crores of rupees is such a big amount that the Government of India will deny a vital need of Madras and other States in the South of India. We have every confidence that the Government of India will appreciate the need for development of this port and come forward to help us to have the port very soon. Among the things to which we would give a very high priority would be the development of this Tuticorin Port.

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Then, we have to rely very largely on the lignite resources of our State. On the lignite we have pinned, I will not say all our hopes, most of our hopes. Not only do we expect to have a number of industries like the power station, the fertiliser plant, the low-carbonised briquette for domestic fuel and the high-carbonised briquetting plant as a feeder to the iron and steel plant, but a number of chemical industries are also possible out of the by-products. In East Germany, in a place called Lauchhammer, the economy is largely based on lignite. They have developed a number of industries. (Sri Mohamed Raza Khan : Lignite of inferior quality.) Yes. Nearly 19 industries or so round about that place are based on the by-products of the lignite industry. Once the lignite industry takes its full shape, and we start producing lignite in adequate quantities, I have every confidence that the industrialists in Madras State would come forward and take up all these projects. In this connection, I wish to clear a possible misapprehension about the progress of the Neyveli Lignite Project. Though there has been a slight delay consequent on the use of a somewhat new type of machine for the excavation of the overburden, viz., bucket-wheel excavator, the work on the project has been going on according to schedule. Some stray people who happened to visit the project were there at a time when the bucket wheel excavation was under repair. He must be certainly not a wise man who thought that the machine would never go out of order. The person concerned here never made enquiries about the causes for the work being held up but made very rash statements both here and in Delhi that the whole thing was a colossal failure and that the project was going to cost the Government of India all the money that they had invested. Hardly had he finished his trip round the country, the bucket-wheel excavator started working, and I do not think, it started working because he said something. (laughter) (Sri T. P. Srinivasavaradan : Did he come back and see?) Critics have only time to criticise; critics have no time to come back and rectify their mistakes.

SRI MOHAMED RAZA KHAN : Not in all places. (laughter).

THE HON. SRI R. VENKATARAMAN : I mean critics of that kind. (laughter). Therefore, I take this opportunity of emphatically

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stating that the lignite project is working according to schedule and that it will be able to mine lignite by the middle of 1961, just about the same time when the 250,000 k.w. electric power station will go into operation. The power station is put up with the help of the Soviet Union, and raw lignite may be directly fed into the power station. It is not possible to store lignite, it being combustible substance. One has to integrate the whole plan in such a way that the striking of lignite and the coming into operation of the power station are simultaneous. We hope that this will be achieved by the middle of 1961 and that further progress in the mining of lignite will go on at a faster pace. Under the Third Plan, the Government have decided that they should initially mine 3.5 million tons and increase it to six or seven million tons. It is our estimate that not less than nine million tons will have to be mined per year for the purpose of feeding all the various units which are coming up and also to provide for the steel plant which we envisage in the Third Plan. Therefore, we hope that the Government will step up the production of lignite to nine million tons or roundly ten million tons per year at least before the close of the Third Plan.

Then it was stated that so far as Madras was concerned, apart from the Lignite Project and the Integral Coach Factory, there were no other Central Government projects here. While I confess that it is so, I wish to point out that it has not been such a disaster about which we need shed tears. Our progress in the industrial sector, especially with reference to the private sector, is remarkable. During the period of the Plans private investment has been more than double the public investment. Progress has not been retarded in any way. At the same time, provision has been made for a film industry in Madras. There is also provision for a Surgical Instruments Factory at Guindy. It is also proposed to install a prototype machine in Madras, a French Prototype Machine.

SRI MOHAMED RAZA KHAN : What is the cost of each of these?

THE HON. SRI R. VENKATARAMAN : The film industry will cost about four to five crores of rupees. The Surgical Instruments plant will cost about eight to nine crores. The French Prototype machine will cost Rs. 1.5 crores.

SRI MOHAMED RAZA KHAN : All told, it is 15 crores of rupees.

THE HON. SRI R. VENKATARAMAN : My friend must take into account the investment of the Central Government in the Neyveli Project which is of the order of 86 crores of rupees. The cost is expected to go up to 100 crores. If we begin to quote figures, the case will go against us because if we compare ourselves with neighbouring States and other parts of India, except those where there is capital investment of a high order as in steel plants and the like, the comparison would not be favourable to us. If the Government of Madras had not very often dilated on this aspect, it is

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because we know we do not have a good argument in that. Our contention has always been that the natural resources of every State should be developed to its fullest capacity and that the mere fact that a certain investment has been made should not be a bar for further development of that area, if the natural resources warrant such further development. If we begin to argue on the basis of the *per capita* distribution of the Central investment in each State, it would be both unrealistic and also might prove to be disadvantageous to our State. It is not also proper that when we are all claiming to be members of a great nation engaged in a common endeavour for the upliftment of the country as a whole, we should start bickerings between ourselves and our neighbouring States. Unless the neighbouring States and ourselves co-operate in a very great measure it will not be possible to achieve any degree of progress either for us or for the neighbouring States. If each one thought that the resources that God had given are to be exclusively used for his own benefit or for the benefit of that particular region or locality, then a lot of God-given wealth will be going to waste. Our very claim for sharing in the surplus waters of the neighbouring State is based on that theory that there should be an all round development of all States for the mutual benefit of all the States concerned. If the neighbouring States are not able to utilise the surplus waters themselves and if as a result of entering into an arrangement with the neighbouring State they get an advantage, they get something in return. They get for instance power and in some other cases food as in the case of Kerala or something of the kind as *quid pro quo*. Certainly it is in the interests of the States themselves to come together and try to develop the resources they all possess. It is in that view that we have been pressing both the neighbouring States and the Government of India to adopt a very liberal outlook with regard to the utilization of resources in the States and to see that they are made to subserve the human needs irrespective of territorial boundaries. Sir, in this connection I value very much the caution which the hon. the Leader of the Opposition gave to the House to-day. It is easy to look heroic by using strong words against others and against other States. But it will not really serve anybody's good and will not bring about that understanding which is necessary for our mutual improvement. I have in my mind the hon. Member Sri Kosalram who spoke very strongly yesterday about the Pambiar Scheme and about the now forgotten division of the State. (An hon. Member : Nobody has forgotten it.)

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SRI K. T. KOSALRAM : My speech was not aimed against any particular Minister either of this State or of the neighbouring State.

SRI MOHAMED RAZA KHAN : He wanted a negative result.

THE HON. SRI R. VENKATARAMAN : It is very difficult for others not sitting in the House to understand and appreciate the spirit in or the purpose for which it was said. When words like those are used it might be misinterpreted by people who are in charge

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of the administration in the other States. We do not have the opportunity to go and tell them that it was not intended. Once the wrong impression gains ground, it will be very difficult to disabuse them of the wrong impression. That wrong impression unconsciously will be working at the back of their minds even when people feel there is scope for coming to an agreement. I do not know wherefrom my hon. Friend got the impression that the Government of Madras have given up their rights to represent either to the Centre or to our neighbouring States with regard to the Pambiar waters. All that we can do is to convince our neighbouring States that the surplus waters which are not used by them may be diverted for the benefit of their own friends and neighbours instead of allowing them to go and join the Arabian sea. But that has to be a request. It is persuasion that is necessary and it is not a matter for condemnation or criticism. Whatever might have been the object with which the hon. Member Sri Kosulram mentioned it yesterday, I want to place on record the views of the Madras Government that they respect very much the rights of the neighbouring States over the resources which they have, that if they venture to offer suggestions for the utilisation of those resources it is not for the purpose of gaining any unfair advantage for this State over the other States but largely and in fact mainly for the purpose of utilising the resources for the mutual and common advantage of both the people and the States.

Sir, in this connection I also wish to state that in the Neyveli Project we have a share and two of our officers are members of the Board of Directors. And 25 per cent of the net profits would come to us. In fact, the agreement in this case is unique in India. In no other Central Project, the State is allowed to participate in the share of a project.

Lastly, let me deal with the points raised by the hon. the Leader of the Opposition. I wish to emphasise that so far as Madras is concerned we have never made any distinction between the private sector and the public sector in the matter of giving any preference of any kind. Actually the private sector has developed during the Second Plan period to a large extent than the public sector in the Madras State. There is no one single major public sector undertaking except the Electricity Board which is a public sector undertaking throughout the world except in stray countries, and a few bus routes which one had to take over under certain circumstances. It does not mean that the Government of Madras are against public sector undertakings. They will faithfully observe the policy resolution adopted by the National Development Council with regard to the respective spheres of public and private sectors. The Industrial Policy Resolution states that key industries, defence industries and certain kind of industries are reserved for the public sector. The other industries will be largely in the private sector. Therefore with due deference to the policy resolution adopted by the National Development Council our policy with regard to the respective industries will be framed. I may also say that whatever little

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improvement in the standard of life that we see in this State during the Second Five-Year Plan at any rate has been the result of large investment by private sector in industry. (Hear, hear.)

We have not started any industries as I have said earlier. Even the lignite project which has been started with large capital investment, has not yet yielded results. Therefore, if there has been an improvement in the standard of life of the people owing to the improvement in industry, it is to a large and great extent due to the private sector which has come up in the industrial field.

We have also detailed in the Third Plan a number of industries in regard to which the private sector can come up and take the initiative for starting them. I think there are as many as 34 industries detailed there but they are by no means exhaustive. There are a number of other directions in which the private sector can come forward to help in the development of industries in this State. And so far as the State is concerned we have tried in every way possible to help the development of industries. We have helped the private industries to obtain licences. We have helped them to get clearance for capital goods and foreign exchange. We have also assisted them through the Madras Industrial Investment Corporation with equity finance in cases where it is difficult to raise large amounts. The notable instance is that in which the Madras Industrial Investment Corporation has taken shares to the tune of Rs. 1 crore in the paper industry. At the beginning of the Second Five-Year Plan, nobody even whispered that Madras had a chance of having a paper plant of 50 to 60 tons per day. We are happy to find that entrepreneurs are coming forward in large numbers now to take advantage of the facilities offered to start industries in this State. I may also mention in this connection that a number of foreigners who have called on me have stated that they are willing to come in for collaboration with Indian industrialists, particularly with industrialists who are willing to start industries in Madras State. Though it was greatly flattering to the Government, I think it is a tribute to the people in the State and also to the workmen in the State. When I asked them why they had a preference for Madras State, they gave me three reasons. The first was that there was a stable and efficient administration, the second was that there was a disciplined labour force, and the third was the degree of technical skill acquired by workmen in this State was far better than any they had come across elsewhere.

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SRI MOHAMED RAZA KHAN : What was the Hon. Minister's first reaction to these?

THE HON. SRI R. VENKATARAMAN : My reaction was to give them a cup of tea (laughter). Therefore, Sir, I cannot but take this opportunity, because we envisage a larger participation of the private sector in the industrial development of the State during the Third Five-Year Plan, to urge on them the need to take steps betimes to act as quickly and energetically as possible to help in the rapid progress of the industrialisation of this State.

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Sir, the one question which has been raised by the Leader of the Opposition was touched by me at the opening of this debate, namely, the resources. I think it is good that I make a reference to it again. We have tried to calculate what would be the order of investment the Madras State would be called upon to make in the Third Five-Year Plan. We have made tentative calculations which show that we have raised about Rs. 90 crores in the current Plan over five years. We have now increased the salaries of our employees. Modest as these increases may be, they are expected to cost Rs. 35 to Rs. 40 crores over the next five years. Taking all these factors into consideration, it has been roughly estimated that only between Rs. 70 and Rs. 80 crores can be raised by this State towards the Third Plan. I am happy to inform this House that our revenues are showing a trend towards better returns and larger returns. Our sales tax revenues are going up, not because the rates have been raised, but because there has been a larger turnover of business and trade in this state. Sir, at the beginning of the Second Plan, our Central Sales Tax was only Rs. 90 lakhs. That means roughly about Rs. 90 crores worth of goods were sent by Madras to other States. The Central sales tax is one per cent. I am happy to say that last year, that is, 1959-60, the final return of Central sales tax was Rs. 220 lakhs, which means Rs. 220 crores worth of goods have been sold by Madras State to other States in this country. Sir, this is really a marked improvement in our trade. If this trend is kept up, we need not be afraid of the resources. If trade and industry develop in the way in which we want them to go forward certainly we can hope that the return from this very tax would be able to meet at least a major part of the resources and the needs of the Third Plan. It is our view that even with regard to the Central revenues, if the administration of the taxes is tightened up and if better collection of income-tax and other taxes is attempted, we would be able to recover more even with the existing taxation. Therefore, Sir, to imagine immediately that all the extra expenditure that we propose in the Third Five-Year Plan will be met only in the form of fresh taxation would be rather a pessimistic view to take.

Sir, I do not want to take much more time of the House. I shall briefly touch on some of the points raised by other members. I would pay my tribute to Sri Raza Khan for having pin-pointed the projects which should be given high priority, and I am glad to say that the Government are accepting his amendment.

The next point is about handlooms. The Government have done their utmost to preserve, protect, and promote the handloom industry in this State. Those engaged in the industry know how from time to time we have been advancing them loans and even trying to get rebate on sales of handloom cloth, and what we have proposed to do in the Third Plan. I expect that if the Handloom Finance Corporation comes into existence, it will go a long way to relieve the difficulties faced by the handlooms in the field outside co-operatives. To-day they do not have any facility, and they do

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not enjoy any of the benefits of the cess fund. It has been the firm view of the Madras Government and they have never ceased pressing it upon the Handloom Board that some measure of help should be given to the handloom weavers outside the co-operative fold, and we expect that this scheme will be accepted by the Planning Commission.

Then, Sir, there were certain references to small-scale industries. While we emphasised the schemes in the Third Plan in a separate booklet with regard to large and medium industries, we have also dealt at length with the programme of small-scale industries. Our programme of development of the industrial estates, the programme of giving assistance to the small industries under the provisions of the State Aid to Industries Act, and the facilities which we intend to give by way of supply of machinery by hire-purchase and so on, are all detailed in this. The Madras Government have always laid great emphasis on the small-scale industries as an ancillary development to large-scale and medium-scale industries. We have every reason to be proud of the industrial estates which we have brought into existence. It is too early to say that the scheme is finalised. It is not unlikely that even the United Nations Seminar on Industrial Estates may be held at Guindy in Madras. That has been the reputation which the Guindy Industrial Estate has achieved in the World. Therefore, I want to assure hon. Members that the small-scale industries will continue to get all the assistance which it has got in the Second Plan and also will probably get 2 to 2½ times more during the Third Plan period.

Sir, Sri Kosalram raised a point about mineral survey in this State. So far as the mineral survey is concerned, I am happy to tell this House that Madras State is one of the few States in India which has a separate geological survey of its own. Apart from the Geological Survey of India, the Madras State Government have got a geological survey department, and it is trying to do its best. I know that it is inadequately staffed and that it has not got the necessary equipment to carry out all the projects which we have in hand. But then, Sir, geologists cannot be manufactured overnight. The Vice-Chancellor will agree with me that it is more difficult to get a geologist of good stature to-day than even a hundred Ministers. The second difficulty with regard to geological survey is the absence of drilling equipment and other technical equipment. They are not available in this country, and we have to depend on foreign countries for the geological equipment necessary for the Geological Department. If there is any delay or if there is not the same rate of progress in the geological survey, it is not again due to any want of emphasis by the State Government but due to circumstances entirely beyond the control of the Government

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Lastly, Sir, Dr. Chidambaranathan dealt with Education. He commented that a sum of only thirty lakhs of rupees had been provided for the starting of a second University in Madras. I wish to repeat that this is only a token provision. The Government are well aware that no University can be started with thirty lakhs of rupees.

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The Government do not want to start any University without adequate resources and without all the necessary equipment and facilities like libraries, laboratories and so on. There is no point in merely trying to start a few Universities in name. They must be real and substantial. The Government are well aware of that, and therefore, they contemplate that the investment required for another university would be of the order of more than a crore of rupees. But they have made only a token provision here.

I have roughly dealt with some of the major points and if I have omitted reference to other more useful and important suggestions made by Members, it is due to want of time. I trust the House will excuse me. Now, I suggest that the House might accept Mr. Raza Khan's amendment and adopt my motion.

MR. CHAIRMAN : The question is —

“ Add the following at the end :

and on such consideration, this House urges that emphasis be laid on the following items for implementation in Madras State in the Third Five-Year Plan—

1. Steel Plant and Lignite Project,
2. The utilization of surplus waters of the neighbouring States for the mutual benefit of the States concerned,
3. The Development of Tuticorin as a major port as a part of the Sethusamudram Project,
4. Nuclear Power Plant,
5. Oil Refinery.”

The amendment was put and carried.

MR. CHAIRMAN : I shall now put the original motion, as amended, to vote.

“ That under rule 21 (3) of the Madras Council Rules, the taken into consideration, and on such consideration, this House urges that emphasis be laid on the following items for implementation in Madras State in the Third Five-Year Plan—

1. Steel Plant and Lignite Project;
2. The utilization of surplus waters of the neighbouring States for the mutual benefit of the States concerned;
3. The Development of Tuticorin as a major port as a part of the Sethusamudram Project;
4. Nuclear Power Plant;
5. Oil Refinery.”

The motion was put and carried.

SRI MOHAMED RAZA KHAN : Sir, may I make a submission? After sixty minutes' speech, the Hon. Leader of the House seems tired. We may take up the second Bill first and the Bill the Hon. Leader of the House is in charge of may be taken up next.

MR. CHAIRMAN : I think there is no objection.